

SOVIET INTERNATIONAL COMMERCIAL CIVIL AIR OPERATIONS

This is the international route network of the Soviet airline Aeroflot. Until 1955 Aeroflot's international routes stretched only to Communist countries. Since then the network has grown rapidly, and in the last five years it has doubled. It now totals 54,000 nautical miles and serves 40 countries. Aeroflot schedules 82 international flights weekly, 52 linked with Free World countries and 30 with Communist countries. By international standards this operation is small potatoes. The Scandinavian Airlines System, a medium-size international airline schedules 386 flights weekly to and from cities outside Scandinavia.

To formalize its aviation relationships with Communist states and to secure aviation rights in Free World countries, the USSR began signing bilateral air agreements in 1955. It now has air agreements with 50 countries as shown on the chart over here. You will notice that in 1955 most of the agreements signed were with Communist countries and during the next three years with the aviation powers of western Europe. As a result of these agreements Aeroflot flies into most of the capitals of Europe, and 19 foreign airlines fly into the USSR. Since 1960 the Soviets have concentrated on obtaining air agreements with the less developed countries of Asia and Africa.

1965 and the first quarter of 1966 was a period of frustration for the Soviets in Africa as they sought to extend their present routes into Africa further to the south. Air agreements were signed with Kenya, Uganda,

and Tanzania, but Sudan refused to allow Aeroflot to pick up and discharge passengers along the route from Khartoum to Nairobi; so the extension of the route from Khartoum southward did not materialize. An air agreement was initialed with the Central African Republic in December 1965, which would have provided another link in the chain that the Soviets have been eager to forge between Cairo and Brazzaville. However, Sudan again thwarted Soviet ambitions by refusing to grant onward rights from Khartoum to Bangui and Brazzaville. The Soviets then decided to extend their west African route to Brazzaville. However, the inaugural flight from Moscow to Brazzaville via Conakry and Accra crashed on takeoff, and we have heard nothing more about this proposed route.

One reason why Soviet representatives have had such trouble in Africa is the recognition by the Africans that Soviet competition would threaten the survival of their own budding airlines. Political obstacles also have impeded the Soviets. For example after the overthrow of Nkrumah, Aeroflot was kicked out of Ghana, and the Soviets lost the route from Conakry to Accra.

The Soviets are becoming more active in Latin America and have been discussing with Brazil and Mexico the possibility of Aeroflot air services to these countries. So far, however, the Soviets have not succeeded in gaining a civil air agreement with any Latin American country except Cuba.

The Soviets also have been working for additional air rights in the industrial West and Japan. An air agreement between the USSR and Japan signed in January 1966 provides for the first direct scheduled route between

Japan and Western Europe. The Japanese have agreed to a jointly operated service between JAL and Aeroflot, using only Soviet aircraft and flight crews for two years. The Soviets have promised that by the end of the two-year period they will attempt to clear the way for the Japanese Air Lines to fly independently over Siberia. Snags have developed over the charter rates and revenue sharing, but both sides still hope to reach agreement on the financial arrangements in time to open the Tokyo-Moscow route as scheduled on July 1st.

West Germany is one of the few countries in Western Europe that is still not serviced by Aeroflot. West German-Soviet negotiations for Frankfurt-Moscow civil air services have progressed to an advanced stage, but thus far have faltered over West German refusal to permit Aeroflot to include Berlin/Schoenefeld (located on East German territory) as an intermediate landing site.

Air Canada and Aeroflot have been discussing a Moscow-Montreal service, and the Canadian government is optimistic that these discussions, when they reach the governmental level, will result in an air agreement. However, Danish reluctance to grant beyond rights to Aeroflot from Copenhagen is impeding the negotiations.

The US and the USSR after intermittent negotiations initialed a civil air agreement in August 1961, but the agreement was not signed because of the crisis over the Berlin wall. The Soviets have continued to press for an air agreement, but there are no prospects for resumption of negotiations. The forthcoming US-USSR exchange on civil air matters may provide renewed

impetus for the resumption of negotiations.

These are the aircraft used on Aeroflot international routes. The most widely used, but obsolescent TU-104 gradually is being phased out of service. The IL-18 4-engine turboprop is used on the longer routes. The TU-124 jets have assumed a larger role in the last two years and probably will be supplemented by the new TU-134 with its jet engines in the rear. The long-range TU-144 turboprop is the only Aeroflot model to make scheduled transatlantic flights -- it has been flying to Havana regularly since late 1962. However, Aeroflot hopes to replace it with the more efficient IL-62, which is still not in production. The AN-12 is used on the only two all-cargo flights of Aeroflot, one to Paris and the other to Southeast Asia.

We think that the prime objective of Aeroflot's international operations is to enhance the Soviet presence abroad. However, Aeroflot's impact on a Western Europe already crowded with airflights and modern aircraft has been minimal. The impact has been more pronounced in the less developed countries where there are fewer manifestations of western technology. Even in Africa, however, one has only to look at the extensive network of Air France and BOAC and their associated airlines to realize that Aeroflot's four round trip flights a week to Africa are a drop in the bucket. In Conakry, Guinea, for example, out of 24 outbound flights a week, only one is by Aeroflot.

The Soviets get other benefits from Aeroflot international operations-- the saving of foreign exchange that occurs when they transport Soviet nationals abroad in Soviet, rather than foreign, aircraft, the opportunity to transport agents or clandestine cargo with minimum observation by

foreigners, and the use of Aeroflot representatives abroad as intelligence agents.

Profitability appears to be only a secondary Soviet objective. Our analysis of passenger load factors on selected Aeroflot flights indicates that load factors range from 18 percent on the Belgrade-Tunis-Algiers-Rabat flight to 55 percent on the flight to Copenhagen. The average break-even passenger load factor for all international airlines is about 50 percent. It is apparent that the Aeroflot flights to Western Europe are considerably more profitable than those to other areas of the World.

Compared with other international airlines, Aeroflot does not get a high performance rating. Aeroflot flights are reasonable safe and adherence to flight schedules is reasonably good, but the performance of Soviet aircraft is inferior to that of western aircraft. The Aeroflot aircraft are more difficult to handle; fuel consumption is higher; and engine life is much shorter. Service to passengers aboard Aeroflot is decidedly inferior to the service on western airlines. Passenger comfort is also inferior. Cabins are noisier. Pressurization is erratic.

For the future we can expect Aeroflot aircraft and service to improve, but other international airlines are moving forward so rapidly that Aeroflot will not be any great threat to western airlines for the foreseeable future.

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